



## Request for City Council Committee Action from the Information Technology Department

Date July 16, 2012

To: The Honorable Betsy Hodges, Chair, Ways and Means Committee

Subject: Execute 5-Year Contract with TALX Corporation for I-9 Services

Recommendation Authorize proper City officials to:

- a) execute a five-year contract with TALX Corporation to provide electronic services related to managing the I-9 process, not to exceed \$50,000 through August 2017, and
- b) use TALX Corporation's contract document instead of the City's Standard Agreement Form

Prepared by Elise Ebhardt, Interagency Coordinator, 673-2026

Submitted by Otto Doll \_\_\_\_\_, 673-3633  
Chief Information Officer

Approved by Paul Aasen \_\_\_\_\_  
City Coordinator

Presenter in Committee Otto Doll

Policy Review Group   X   Not Applicable

Permanent Review Committee (PRC)   X   Not Applicable

**Financial Impact:** None.

**Financial Impact** (Check those that apply)

- X   No financial impact (If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Other financial impact (Explain):
- X   Request provided to department's finance contact prior to the Committee Coordinator

### **Background/Supporting Information**

The TALX I-9 Service is an automated system which allows the City, as an employer, to electronically manage the requirements of the Immigration Reform and Control Act of 1986.

The Immigration Reform and Control Act of 1986, requires employers to verify the employment eligibility of all employees hired after November 6, 1986. The Act requires i) employees to complete an Employment Eligibility Verification Form ("Form I-9") as a condition of employment; and ii) employers to store the Forms I-9 for three years after the date of hire or one year after employment ends, whichever is later.

Recent changes to the Act permit electronic signatures and electronic storage for Forms I-9.

The IT and Human Resources departments have researched options, including PeopleSoft and other vendors, for electronically managing the City's I-9 process and have selected TALX as the best solution for the City at this time.

The standard components of the TALX Service include:

- Online Employee Web Application which allows employees to complete Section 1 of Form I-9 online with electronic signatures
- Online Employer Web Application which allows employers to:
  - complete Section 2 of a new Form I-9 online with an electronic signature
  - complete a new Form I-9 online with electronic signatures
  - view and print a Form I-9 on file
  - obtain a reverification notice generated by captured expiration dates on Form I-9
  - use E-Verify to verify work authorization with the Department of Homeland Security and Social Security Administration
  - obtain various reports, conduct internal audits, and respond to government audits and inspections in an efficient and timely manner
- Records retention including record destruction after required retention expires.
- System security; access is limited to authorized users only
- Training for authorized City employees

Human Resources staff is also exploring optional services from TALX such as:

- Paper Conversion: conversion of paper forms to electronic format, made available online
- Bulk Load: scan and load images into the TALX system
- Integration with federal database to measure compliance and to remove Forms I-9 that have satisfied the Act's data retention requirements.

With approval to proceed, IT and HR will work with the City Attorney's Office to establish a five-year contract using TALX Corporation's contract document instead of the City's Standard Agreement Form, and will include the City's revised 2012 terms and conditions to protect the City's interests.

The standard components of the TALX service cost \$3,600 for the first year, and will increase by three percent each year. The estimated expense over 5 years for standard and optional services is \$23,500. The total contract for 5 years will not exceed the cap of \$50,000 established by the City's Standard Agreement form.

The Human Resources department is providing the funding for the contract expenses.

**Action Requested**

Authorize proper City officials to:

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- b) use TALX Corporation's contract document instead of the City's Standard Agreement Form